

Letter Notes that President has Already Waived Cost Share for Texas
September 19, 2008

WASHINGTON, D.C. - U.S. Rep. Charlie Melancon (D-La.) sent a letter to President George W. Bush yesterday asking him to waive Louisiana's local cost share for disaster assistance and recovery projects resulting from Hurricanes Ike and Gustav. While the President waived the cost share for Texas earlier this week, he has yet to do so for Louisiana. This local share could cost Louisiana over \$100 million if it is not waived.

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In urging the President to waive Louisiana's cost share, Rep. Melancon wrote:

"Hurricanes Gustav and Ike battered Louisiana, severely damaging homes and businesses across the state and leaving millions of our residents without power for weeks. These storms directly impacted many of our communities still working to fully recover from Hurricanes Katrina and Rita. Although these storms happened over three years ago, communities across south Louisiana are still struggling to get their economies back on track. Reduced local revenues are hindering the post-Katrina and Rita rebuilding progress, and now local governments will have to further stretch their budgets to pay for debris removal and emergency protective measures after Hurricanes Gustav and Ike."

Under the Robert T. Stafford Act, which governs the federal government's response to disasters, the state is responsible for 25% of the cost of recovery projects, while the federal government covers the remaining 75% of the cost. However, the President can waive the local cost share and mandate that the federal government pay 100% of the costs if he deems that the local cost share would be too burdensome for the state.

Specifically, in his letter Rep. Melancon asks President Bush to adjust the cost share to 100-percent federal for Categories "A" and "B" Public Assistance and direct federal assistance for both Hurricanes Gustav and Ike.

Following Hurricanes Katrina and Rita, Rep. Melancon led efforts in Congress to further reduce the financial burden on local governments in south Louisiana struggling to recover. In 2007, he worked with the Louisiana delegation and Congressional leadership to pass legislation waiving the local government cost share requirement for disaster recovery projects. Prior to this legislation, the local match requirement had been waived 32 times since 1985 when per capita rebuilding costs had been deemed excessive, but had not been waived by the President

for Katrina and Rita.

Rep. Melancon worked with House leadership to include the waiver of the local match in the Iraq/Katrina Emergency Supplemental Appropriations bill, which was passed by Congress and signed into law by the President at the end of May 2007.

A copy of the letter sent to President Bush yesterday can be seen by [clicking here](#) .

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